



# State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

## **RESEARCH APPENDIX -** **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 09/22/2009 (Per: RCT)

- |   |   |
|---|---|
| A ☞ The <u>2009</u> drafting file for<br>LRB-2502 | H ☞ The <u>2009</u> drafting file for<br>LRB-2509 |
| B ☞ The <u>2009</u> drafting file for<br>LRB-2503 | I ☞ The <u>2009</u> drafting file for<br>LRB-2510 |
| C ☞ The <u>2009</u> drafting file for<br>LRB-2504 | J ☞ The <u>2009</u> drafting file for<br>LRB-2511 |
| D ☞ The <u>2009</u> drafting file for<br>LRB-2505 | K ☞ The <u>2009</u> drafting file for<br>LRB-2528 |
| E ☞ The <u>2009</u> drafting file for<br>LRB-2506 | L ☞ The <u>2009</u> drafting file for<br>LRB-2591 |
| F ☞ The <u>2009</u> drafting file for<br>LRB-2507 | M ☞ The <u>2009</u> drafting file for<br>LRB-2592 |
| G ☞ The <u>2009</u> drafting file for<br>LRB-2508 | N ☞ The <u>2009</u> drafting file for<br>LRB-2593 |

☞ **Compile Draft – Appendix E**

has been copied/added to the drafting file for

**2009 LRB-3254 (SB 279)**

**2009 DRAFTING REQUEST****Bill**Received: **03/31/2009**Received By: **csundber**Wanted: **As time permits**

Identical to LRB:

For: **Legislative Council - JLC**By/Representing: **Larry Konopacki**This file may be shown to any legislator: **NO**Drafter: **csundber**

May Contact:

Addl. Drafters:

Subject: **Tax, Property - other**

Extra Copies:

Submit via email: **YES**Requester's email: **larry.konopacki@legis.wisconsin.gov**Carbon copy (CC:) to: **christopher.sundberg@legis.wisconsin.gov**  
**john.stolzenberg@legis.wisconsin.gov**

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**Pre Topic:**

No specific pre topic given

---

**Topic:**

Offering unblended gasoline to motor vehicle fuel dealers

---

**Instructions:**

See attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	csundber 03/31/2009	jdye 04/02/2009		_____			
/P1	csundber 06/15/2009	jdye 06/16/2009	jfrantze 04/02/2009	_____	sbasford 04/02/2009		
/1			phenry 06/16/2009	_____	lparisi 06/16/2009		

***LRB-2506***

06/16/2009 10:20:58 AM

Page 2

FE Sent For:

**<END>**

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/?	csundber 03/31/2009	jdye 04/02/2009					
/P1		1 6/16 jld	jfrantze 04/02/2009	6/11/09	km 4/2 sbasford 04/02/2009		

FE Sent For:

6/16 ph  
<END>

**2009 DRAFTING REQUEST**

**Bill**

Received: 03/31/2009

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Wanted: **As time permits**

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By/Representing: **Larry Konopacki**

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**Topic:**

Offering unblended gasoline to motor vehicle fuel dealers

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**Instructions:**

See attached

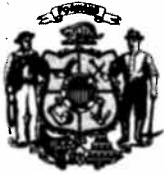
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<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1/?	csundber	Al JLC	4/2	7/12 KM			

FE Sent For:

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In: 3/31/09  
**State of Wisconsin**  
**2009 - 2010 LEGISLATURE**

LRB-2506/

CTS: n

inure

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

INS  
NOTE

1

**AN ACT ...; relating to:** offering unblended gasoline to motor fuel dealers.✓

***Analysis by the Legislative Reference Bureau***

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.✓

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

2

**SECTION 1.** 100.51 (6)✓ of the statutes is created to read:

3

100.51 (6) UNBLENDED GASOLINE SALES REQUIREMENT.✓ A motor fuel grantor that  
4 provides gasoline to a motor fuel dealer✓ under a motor fuel dealership agreement✓  
5 shall offer gasoline to the motor fuel dealer✓ that is not blended and that is suitable  
6 for subsequent blending with ethanol and for resale.✓ For purposes of this subsection,✓  
7 unblended gasoline is not suitable for subsequent sale if the price charged for the  
8 unblended gasoline by the motor fuel grantor✓ does not fairly reflect the average  
9 posted terminal price,✓ as defined in s. 100.30 (2) (a).✓

10

(END)✓

INSERT B1✓

2009-2010 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-2506/P1ins  
CTS:.....

INS  
NOTE

note: pref

Fix component

From WLC 0367/2:

Fix  
font  
size  
Single  
space

1 (2) CS JOINT LEGISLATIVE COUNCIL PREFATORY NOTE; This bill draft was  
3 (B) prepared for the joint legislative council's special committee on domestic biofuels.  
4 (4) This bill draft would require a motor fuel grantor (grantor) to offer unblended  
5 gasoline, suitable for subsequent blending with ethanol and subsequent sale, to any  
6 motor fuel dealer (dealer) with which it has a motor fuel dealership agreement  
7 (agreement). This bill draft would also prevent an agreement or contract between a  
8 dealer and grantor requiring the dealer to purchase ethanol from the grantor  
9 exclusively. This bill draft does not prohibit agreements from requiring the  
10 subsequent blending of unblended gasoline received by a dealer prior to sale to an  
11 end user, and does not prohibit grantors and dealers from entering into agreements  
12 with respect to the transfer of renewable fuels credits under the federal renewable  
13 fuels standard.

14 (b) No motor fuel dealership agreement or contract between a motor fuel dealer  
15 and a motor fuel grantor may require a motor fuel dealer to purchase ethanol for  
16 blending purposes only from the motor fuel grantor.

17 (c) Nothing in this subsection prohibits a motor fuel dealership agreement from  
18 requiring the motor fuel dealer to blend gasoline received under par. (a) with a  
19 specified amount of ethanol by volume prior to the sale of the gasoline to the  
20 end user.

21 (d) Nothing in this subsection prohibits a motor fuel dealership agreement from  
22 providing for the transfer of credits under 42 USC 7545 (o) (2) between the motor fuel  
23 dealer and the motor fuel grantor.

INS B continues →

Fix components  
SECTION #.

SECTION #. Initial applicability. ✓

(2) (1) The treatment of section 100.51 (6) of the statutes first applies to a motor vehicle fuel dealership agreement created, renewed, extended, or modified on the effective date of this subsection. ✓

This act

note: std

Fix component

5 COMMENT: There is not a specific penalty that applies to the existing motor fuel dealership requirements under s. 100.51, stats. Therefore, the default statutory penalty, a forfeiture of \$200, would apply to violations of the requirements in this bill. [s. 939.61, stats.]. Other penalties in ch. 100, stats., range from forfeitures to crimes. The default penalty for this chapter, which does not apply to s. 100.51, stats., is a fine of \$200 or imprisonment in the county jail for up to 6 months, or both. [s. 100.26 (1), stats.]

Single space

Fix font size

END INS B



1 **AN ACT** to create 100.51 (6) of the statutes; relating to: offering unblended gasoline  
2 to motor fuel dealers.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

~~INS  
NOTE~~

**JOINT LEGISLATIVE COUNCIL PREFATORY NOTE:** ✓ This bill ~~draft~~ was prepared for the joint legislative council's special committee on domestic biofuels.

This bill ~~draft~~ would require a motor fuel grantor (grantor) ✓ to offer unblended gasoline, suitable for subsequent blending with ethanol and subsequent sale, to any motor fuel dealer (dealer) with which it has a motor fuel dealership agreement (agreement). ✓ This bill ~~draft~~ would also prevent an agreement or contract between a dealer and grantor requiring the dealer to purchase ethanol from the grantor exclusively. This bill ~~draft~~ does not prohibit agreements from requiring the subsequent blending of unblended gasoline received by a dealer prior to sale to an end-user, and does not prohibit grantors and dealers from entering into agreements with respect to the transfer of renewable fuels credits under the federal renewable fuels standard.

3 **SECTION 1.** 100.51 (6) of the statutes is created to read:

4 100.51 (6) UNBLENDED GASOLINE SALES REQUIREMENT. (a) A motor fuel grantor that  
5 provides gasoline to a motor fuel dealer under a motor fuel dealership agreement shall offer  
6 gasoline to the motor fuel dealer that is not preblended with ethanol, that is suitable for  
7 subsequent blending with ethanol and subsequent sale. For purposes of this subsection,  
8 unblended gasoline is not suitable for subsequent sale if the price charged for the unblended  
9 gasoline by the motor fuel grantor does not fairly reflect the average posted terminal price, as  
10 defined in s. 100.30 (2) (a).

OVER  
↓

1 (b) No motor fuel dealership agreement or contract between a motor fuel dealer and a  
2 motor fuel grantor may require a motor fuel dealer to purchase ethanol for blending purposes  
3 only from the motor fuel grantor.

4 (c) Nothing in this subsection prohibits a motor fuel dealership agreement from  
5 requiring the motor fuel dealer to blend gasoline received under par. (a) with a specified  
6 amount of ethanol by volume prior to the sale of the gasoline to the end-user.

7 (d) Nothing in this subsection prohibits a motor fuel dealership agreement from  
8 providing for the transfer of credits under 42 USC 7545 (o) (2) between the motor fuel dealer  
9 and the motor fuel grantor.

10 **SECTION 2. Initial applicability.** The treatment of section 100.51 (6) of the statutes first  
11 applies to a motor vehicle fuel dealership agreement created, renewed, extended, or modified  
12 on the effective date of this SECTION.

**COMMENT:** There is not a specific penalty that applies to the existing  
motor fuel dealership requirements under s. 100.51, stats. Therefore, the  
default statutory penalty, a forfeiture of \$200, would apply to violations  
of the requirements in this bill [s. 939.61, stats.]. Other penalties in ch.  
100, stats., range from forfeitures to crimes. The default penalty for this  
chapter, which does not apply to s. 100.51, stats., is a fine of \$200 or  
imprisonment in the county jail for up to 6 months, or both. [s. 100.26  
(1), stats.]

13 (END)

**Sundberg, Christopher**

---

**From:** Stolzenberg, John  
**Sent:** Monday, June 15, 2009 4:12 PM  
**To:** Sundberg, Christopher  
**Cc:** Konopacki, Larry  
**Subject:** Redraft of LRB-2506/P1

Chris,

Thank you for this draft. In general, it looks fine. I would like to request a redraft of this draft to clarify that the draft is only addressing the blending of gasoline with ethanol and not with other additives. One way to do this would be to make the following changes in the draft:

1. Page 2, line 1: after "not blended" insert "with ethanol".
2. Page 2, line 3: substitute "gasoline not blended with ethanol" for "unblended gasoline".

Questions? Let me know. Thank you for your help on this draft.

John

---

John Stolzenberg  
Legislative Council  
266-2988



ln: 6/15/09  
**State of Wisconsin**  
**2009 - 2010 LEGISLATURE**

LRB-2506/PT RMNR  
CTS:jld:jf

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

2009 BILL

✓

Regen

1

AN ACT to create 100.51 (6) of the statutes; relating to: offering unblended

(2)

gasoline to motor fuel dealers.

that is not blended with ethanol ✓

***Analysis by the Legislative Reference Bureau***

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the joint legislative council's special committee on domestic biofuels. This bill would require a motor fuel grantor (grantor) to offer unblended gasoline, suitable for subsequent blending with ethanol and subsequent sale, to any motor fuel dealer (dealer) with which it has a motor fuel dealership agreement (agreement). This bill would also prevent an agreement or contract between a dealer and grantor requiring the dealer to purchase ethanol from the grantor exclusively. This bill does not prohibit agreements from requiring the subsequent blending of unblended gasoline received by a dealer prior to sale to an end user, and does not prohibit grantors and dealers from entering into agreements with respect to the transfer of renewable fuels credits under the federal renewable fuels standard.

3

**SECTION 1.** 100.51 (6) of the statutes is created to read:

4

100.51 (6) UNBLENDED GASOLINE SALES REQUIREMENT. (a) A motor fuel grantor

5

that provides gasoline to a motor fuel dealer under a motor fuel dealership

① shall offer gasoline to the motor fuel dealer that is not blended<sup>✓</sup> and that is suitable<sup>✓</sup> with ethanol<sup>✓</sup>  
2 for subsequent blending with ethanol<sup>✓</sup> and for resale. For purposes of this subsection,  
③ unblended<sup>✓</sup> gasoline is not suitable for subsequent sale if the price charged for the<sup>✓</sup>  
4 unblended gasoline by the motor fuel grantor does not fairly reflect the average<sup>✓</sup>  
5 posted terminal price, as defined in s. 100.30 (2) (a).

6 (b) No motor fuel dealership agreement or contract between a motor fuel dealer  
7 and a motor fuel grantor may require a motor fuel dealer to purchase ethanol for  
8 blending purposes<sup>✓</sup> only from the motor fuel grantor.

9 (c) Nothing in this subsection<sup>✓</sup> prohibits a motor fuel dealership agreement from  
10 requiring the motor fuel dealer to blend<sup>✓</sup> gasoline received under par.<sup>✓</sup>(a) with a  
11 specified amount of ethanol<sup>✓</sup> by volume prior to the sale of the gasoline to the end user.

12 (d) Nothing in this subsection prohibits a motor fuel dealership agreement from  
13 providing for the transfer of credits under 42 USC 7545 (o) (2) between the motor fuel  
14 dealer and the motor fuel grantor.<sup>✓</sup>

## 15 SECTION 2. Initial applicability.

16 (1) This act first applies to a motor vehicle fuel dealership agreement created,  
17 renewed, extended, or modified on the effective date of this subsection.<sup>✓</sup>

NOTE: There is not a specific penalty that applies to the existing motor fuel dealership requirements under s. 100.51, stats. Therefore, the default statutory penalty, a forfeiture of \$200, would apply to violations of the requirements in this bill [s. 939.61, stats.]. Other penalties in ch. 100, stats., range from forfeitures to crimes. The default penalty for this chapter, which does not apply to s. 100.51, stats., is a fine of \$200 or imprisonment in the county jail for up to 6 months or both. [s. 100.26 (1), stats.]

18 (END)



State of Wisconsin  
2009 - 2010 LEGISLATURE

LRB-2506/1  
CTS:jld:ph

## 2009 BILL

1 **AN ACT to create** 100.51 (6) of the statutes; **relating to:** offering gasoline that  
2 is not blended with ethanol to motor fuel dealers.

---

***Analysis by the Legislative Reference Bureau***

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the joint legislative council's special committee on domestic biofuels. This bill would require a motor fuel grantor (grantor) to offer unblended gasoline, suitable for subsequent blending with ethanol and subsequent sale, to any motor fuel dealer (dealer) with which it has a motor fuel dealership agreement (agreement). This bill would also prevent an agreement or contract between a dealer and grantor requiring the dealer to purchase ethanol from the grantor exclusively. This bill does not prohibit agreements from requiring the subsequent blending of unblended gasoline received by a dealer prior to sale to an end user, and does not prohibit grantors and dealers from entering into agreements with respect to the transfer of renewable fuels credits under the federal renewable fuels standard.

3 **SECTION 1.** 100.51 (6) of the statutes is created to read:  
4 100.51 (6) UNBLENDED GASOLINE SALES REQUIREMENT. (a) A motor fuel grantor  
5 that provides gasoline to a motor fuel dealer under a motor fuel dealership

**BILL****SECTION 1**

1 agreement shall offer gasoline to the motor fuel dealer that is not blended with  
2 ethanol and that is suitable for subsequent blending with ethanol and for resale. For  
3 purposes of this subsection, gasoline that is not blended with ethanol is not suitable  
4 for subsequent sale if the price charged for the unblended gasoline by the motor fuel  
5 grantor does not fairly reflect the average posted terminal price, as defined in s.  
6 100.30 (2) (a).

7 (b) No motor fuel dealership agreement or contract between a motor fuel dealer  
8 and a motor fuel grantor may require a motor fuel dealer to purchase ethanol for  
9 blending purposes only from the motor fuel grantor.

10 (c) Nothing in this subsection prohibits a motor fuel dealership agreement from  
11 requiring the motor fuel dealer to blend gasoline received under par. (a) with a  
12 specified amount of ethanol by volume prior to the sale of the gasoline to the end user.

13 (d) Nothing in this subsection prohibits a motor fuel dealership agreement from  
14 providing for the transfer of credits under 42 USC 7545 (o) (2) between the motor fuel  
15 dealer and the motor fuel grantor.

16 **SECTION 2. Initial applicability.**

17 (1) This act first applies to a motor vehicle fuel dealership agreement created,  
18 renewed, extended, or modified on the effective date of this subsection.

NOTE: There is not a specific penalty that applies to the existing motor fuel dealership requirements under s. 100.51, stats. Therefore, the default statutory penalty, a forfeiture of \$200, would apply to violations of the requirements in this bill [s. 939.61, stats.]. Other penalties in ch. 100, stats., range from forfeitures to crimes. The default penalty for this chapter, which does not apply to s. 100.51, stats., is a fine of \$200 or imprisonment in the county jail for up to 6 months or both. [s. 100.26 (1), stats.]

19

(END)

### Biofuels Recommendations 8/6/09

Final Draft	Topic	LRB #	Redraft Requested	Status
WLC:-0356/2	state financial assistance	- 2528	----	DONE
WLC:-0357/2	use value property tax	-2504	----	DONE
WLC:-0358/2	feedstocks assessment	-2592	----	DONE
WLC:-0359/1	management practices	-2507	----	DONE
WLC:-0360/2	carbon offset education	-2508	----	DONE
WLC:-0361/1	training assessment	-2593	----	DONE
WLC:-0362/1	regulatory burden study	-2509	----	DONE
WLC:-0363/1	marketing order	-2510	----	DONE
WLC:-0364/3	personal fuel production exemption	-2505	----	DONE
WLC:-0365/3 (3/11 amdt)	blender pump tax credit	-2503	----	DONE
WLC:-0367/2	wholesale unblended fuel	- 2506	----	DONE
WLC:-0368/5 (3/11 amdt)	renewable fuels requirement	-2511	----	DONE
WLC:-0369/2	state fleet	-2502	----	DONE (no elec. copy)
WLC:-0370/2	OEI powers & duties	-2591	----	DONE
Letter to Cong. Delegation	w/o reference to "switchgrass"			
Letter to Gov.				

R:\STOL\draft\ + Documents

Need (14)  
Compile Drafts  
Added To  
SB 279  
(LRB-3254/1)





State of Wisconsin  
LEGISLATIVE REFERENCE BUREAU

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